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GOLDEN GATE PARK MASTER PLAN

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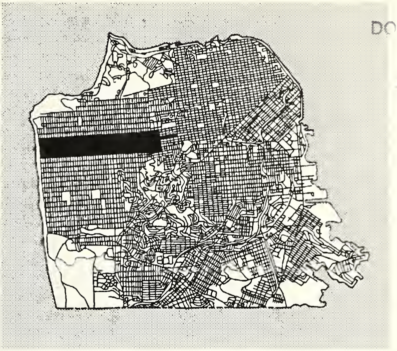

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BACKGROUND REPORT

Economic Issues

SAN FRANCISCO RECREATION AND PARK DEPARTMENT

Prepared By:
ECONOMICS RESEARCH ASSOCIATES

FEBRUARY 1993

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ERA Economics Research Associates

Golden Gate Park Master Plan
Phase I: Information Gathering

ECONOMIC ISSUES WORKING PAPER

Prepared for
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25 February 1993

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GOLDEN GATE PARK MASTER PLAN

ECONOMIC ISSUES WORKING PAPER

Phase I/Task II: Information Gathering

by Economics Research Associates

INTRODUCTION

The goal of this working paper is to place Golden Gate Park in the context of the economic considerations which are used daily to make decisions regarding the allocation of public resources. This is not to imply that the only value of the park is that which can be quantified. On the contrary, **there are clearly benefits to San Francisco and the regional community in the Bay Area which will remain unquantifiable in this analysis.** These social benefits include the health effects of outdoor recreation, the spiritual benefits of parks and open space, the enhancement of air quality from vegetation, the resource value for cultural and environmental education, the psychic value to many of "just knowing the park is there," and the attraction power in business location decisions, to name only a few. Although any economic accounting will be inherently limited in scope, it is useful to demonstrate that even on narrow economic terms, using order-of-magnitude estimates, Golden Gate Park has tremendous value to the San Francisco and the rest of the Bay Area.

Economic findings are first summarized below. The order of presentation then begins with a discussion of park visitation and use. It is use of the park which generates an important portion, but not all, of its value. After demonstrating that economic values are indeed significant, the current efforts to operate and maintain this valuable asset are then discussed in the context of several other comparable parks in the U.S.

SUMMARY OF FINDINGS

- Documented use of the park amounts to almost 7 million visits per year. Casual use of the park and special events attract at least 4 million more visits.

- Based on an expected-use projection method, it is reasonable to estimate that **annual use is averaging between 11 and 15 million visits.**

- Use of the park can be valued in excess of **$100 million per year accruing to users of the park.**

- The attraction and retention power of the park for **tourists** creates an **economic impact on San Francisco in excess of half a billion dollars a year.**

- The park's effect on surrounding **real estate values creates premiums conservatively estimated in the range of half a billion to one billion dollars (and property tax revenues of $5 to $10 million per year).**

- Compared to other large urban parks in the U.S., Golden Gate Park ranks in the middle in terms of staffing and financial resources.

GOLDEN GATE PARK VISITATION

In preparation for this master plan study, City Recreation and Park staff collected the best information available on the recent use patterns in the park. Lacking controlled access, it is impossible to know precisely how many people visit Golden Gate Park in any given year. However, useful indicators are created by the few areas which charge admission (primarily the major cultural institutions) and the areas which are used on a permit basis. Table 1 summarizes what is known about use for specific areas in the park. Very few are precise statistics, but the rest are informed and credible estimates. Taken together, these attendances and estimates for 1989 produce a total of over 6.9 million park visits which can be known to be taking place with a reasonable degree of accuracy.

Special events vary from year to year, but have been estimated by City staff to average about 2.0 million per year. The most difficult portion of use to estimate is that which occurs on a casual basis, including such activities as strolling, jogging, picnicking and bicycling. City staff have conservatively estimated this at about 2.6 million per year.

Table 1

USES AND UTILIZATIONS AT GOLDEN GATE PARK

Land Use Name	Use Description	1989 Attendance
Angler's Lodge and Flycasting Pools	Fishing tournaments, mtg. rooms, 400 members of G.G. Anglers and Casting Club	8,760
Equestrian Center	Horse trail rides, instruction, boarding	40,000
Bison Paddock	Viewing of Bison in a large meadow	Steady tour bus traffic
Horseshoe Courts	50 Members of G.G. Horseshoe Club	1,000
Petanque Field	French bowling game played with steel balls	1,300
Stow Lake Boathouse	Concession: boat rentals, snack bar	62,000 boaters 72,000 food customers
Children's Playgrounds	10th Ave. @ JFK Drive, 46th Ave. @ Lincoln	21,900
Dog Training Field	Fenced area for training and exercise	10,000 dogs and owners
Dog Runs	Stanyan @ Fulton, Middle @ King Drives, Lincoln @ 2nd	18,000 dogs and owners
Centennial Trees, Pioneer Meadow	16th Ave. @ JFK Drive; popular picnic area	6,700 by permits
Queen Wilhelmina Tulip Garden	JFK Drive @ Great Highway	70,000
Hoover Redwood Grove	19th Ave. and King Drive/Art exhibits	1,125 by permits
Spreckels Lake	Model yacht sailing/Tai Chi	10,000

Table 1 (con't.)

USES AND UTILIZATIONS AT GOLDEN GATE PARK

Land Use Name	Use Description	1989 Attendance
Stow Lake	Multi-use area (jogging, picnicking, etc.)	75,000
Elk Glen Lake	Picnic sites	1,900 by permits
Strawberry Hill Reservoir area	Walking, jogging	11,000
Model Yacht Club	For model boat users	6,000 weekends
Dutch Windmill	JFK Drive @ Great Highway	70,000
Senior Center	Building for meetings, recreation; garden for relaxation; 900 members	73,000
Sweeney's Observatory	Ruins today; on top of Strawberry Hill	Moderate use
Lindley Meadow	Picnic area; summer children's day camp	13,296 by permit
Mother's Meadow	Picnic area; playground	1,300 picnickers 15,000 children
Speedway Meadow	Picnic area; summer children's day camp	21,097 by permits 40,000 other
Elk Glen Meadow	Picnic area	1,915 by permits
Pioneer Cabin Meadow	May be reserved for weddings	6,707
Sharon Meadow	Picnic area; major event site (note: use has increased greatly recently)	15,000 at a time 2,834 by permit

Table 1 (con't.)

USES AND UTILIZATIONS AT GOLDEN GATE PARK

Land Use Name	Use Description	1989 Attendance
14th Ave. E. Meadow	14th Ave. @ JFK Drive N.	1,410 by permits
Old Speedway Meadow	41st @ Lincoln	1,673 by permits
Peacock Meadow	Sunbathing and jogging/juggling	10,000
Liberty Tree/Casino/ Bunny Meadow	Site for exercise routines Site for Shakespeare Festival	36,000 casual users 75,000 for festival 4,000 by permit
Washington Grove	Art show site; heavily used	1,425 by permits
Sunken Meadow	Reservable (North of de Young Museum)	1,000 by permits
Marx Meadow	Picnic area; summer children's day camp site	16,000 by permit
Archery Field	Lawn area with targets	10,400
Soccer Field	By Great Highway	39,000 by permits
Big Rec Baseball Diamond	Two diamonds serving school, semi-pro, etc. teams	25,000
Mary B. Connolly Children's Playground	Playground and carousel	150,000
Polo Field/Stadium	Multipurpose stadium	70,000 by permits 6,350 by group permits
Golf Course	9-hole course; concession operation, has snack bar	56,660
Handball Courts	Two indoor, two outdoor courts	Steady use

Table 1 (con't.)

USES AND UTILIZATIONS AT GOLDEN GATE PARK

Land Use Name	Use Description	1989 Attendance
Kezar Pavilion	Gymnasium for basketball, volleyball, etc. Serves schools, professional leagues, and others	1,000,000 estimate
Kezar Stadium	Rebuilt 1990	NA
Lawn Bowling Greens	Club has membership of 2,200	4,000
Tennis Courts and Clubhouse	3-acre tennis complex; 21 courts, clubhouse, pro shop, spectator areas; concession	31,786 spectators 97,824 players
Strybing Arboretum	Funded in part by Strybing Arboretum Society (non-profit corporation), gardners are city empl.	200,000 estimate
Japanese Tea Garden	Admission charged; has gift shop	600,000
Camellia Gardens	East of Conservatory/Peacock Meadow	27,000
Dahlia Gardens	East of Conservatory	36,000
Fuchsia Gardens	Conservatory Drive East	36,000
Rose Garden	J.F. Kennedy/Funston	10,000
Shakespeare Garden	Site for rest and relaxation/weddings	20,000
Arizona Gardens	Winter blooming plants	35,000
County Fair Building	4-room building, includes auditorium and gallery	150,000
Helen Crocker Russell Horticultural Library	Contains over 14,000 volumes	13,839
Conservatory	Oldest existing park building; hothouse	127,357

Table 1 (con't.)

USES AND UTILIZATIONS AT GOLDEN GATE PARK

Land Use Name	Use Description	1989 Attendance
Asian Art Museum and de Young Museum	Art museums	375,000
California Academy of Sciences/Steinhart Aquarium	Natural history museum; planetarium; aquarium	1,400,000
Music Concourse	Can accommodate up to 15,000	1,800,000

Source: San Francisco Recreation & Park Department.

When documented use, casual use and special event visitation are added together, a total visitation level of 11.5 million per year has been estimated for Golden Gate Park.

While this sounds like a lot of people, Golden Gate Park is over 1,000 acres. Disneyland in Anaheim handles between 11 to 12 million people per year in a 65 acre park. At 11.5 million, Golden Gate Park visitation would also be in the same order of magnitude as such other San Francisco Bay Area attractions as:

- 14.7 million at GGNRA in 1990;
- 12 million at Fisherman's Wharf; and
- 10 million at Pier 39.

An entirely different way to estimate use of Golden Gate Park is to start with the various source "markets" of people who make visits to the park and estimate their likely incidence of visitation. A basic **segmentation of the source markets** is into the following four categories:

1. The **neighborhoods within walking distance** of the park;
2. The **remainder of San Francisco**;
3. The remaining eight counties within the San Francisco **Bay Area**; and
4. **Tourists** to San Francisco from beyond the nine-county Bay Area.

An approximation of **the neighborhood market** is provided by the census tracts which abut the park or panhandle. These describe neighborhoods generally within one-half mile of the park (e.g., to Geary Boulevard on the north and Kirkham on the south), with a few up to two-thirds of a mile (e.g., to Geary from the panhandle, or to Noriega on the south). Table 2 lists the individual census tracts and presents total population and ethnic characteristics. Over the last twenty years, while total population has remained relatively stable, there has been a noticeable increase in residents of Asian ethnicities with

Table 2

POPULATION AND ETHNIC DISTRIBUTION OF CENSUS TRACTS
Golden Gate Park area

Tract #	Total Population	Ethnic Distribution					
		White	Black	Native Am.	Asian	Other	Hisp. Origin
156	2,792	56.0%	4.3%	0.3%	36.5%	2.8%	6.3%
157	6,304	58.4%	12.8%	0.6%	25.8%	2.3%	6.5%
165	4,856	63.3%	20.9%	0.8%	11.9%	3.2%	7.5%
166	4,932	78.4%	12.7%	0.6%	6.8%	1.5%	6.0%
171	7,474	81.2%	9.6%	0.7%	6.8%	1.7%	5.4%
301.01	4,263	70.1%	4.5%	0.4%	22.5%	2.4%	6.7%
302	8,428	63.6%	2.9%	0.4%	30.2%	2.8%	7.3%
326	7,939	52.5%	1.8%	0.3%	44.2%	1.2%	4.5%
327	5,847	56.2%	1.1%	0.4%	40.9%	1.5%	5.7%
351	7,267	49.2%	1.2%	0.3%	47.6%	1.7%	5.3%
352	9,618	47.4%	3.7%	0.5%	46.1%	2.3%	7.3%
451	4,794	39.5%	4.7%	0.2%	54.0%	1.6%	4.2%
452	7,163	45.7%	3.8%	0.3%	48.8%	1.4%	5.1%
476	5,430	43.9%	2.0%	0.3%	52.5%	1.3%	4.0%
477	8,115	44.1%	1.7%	0.2%	52.6%	1.4%	4.3%
478	7,471	45.4%	1.6%	0.4%	51.2%	1.3%	4.7%
479	9,549	50.4%	3.7%	0.4%	44.0%	1.5%	5.2%
TOTAL	112,242	61,514	5,593	473	42,602	2,060	6,304
Share	100.0%	54.8%	5.0%	0.4%	38.0%	1.8%	5.6%

a compensating decrease in caucasian residents in the neighborhoods around Golden Gate Park.

Other demographic characteristics are presented in Table 3. There are **over 112,000 people in almost 46,000 households** in these census tracts. It is interesting to note that over 16,000 children under the age of 18 live within walking distance of the park.

Casual use of Golden Gate Park from the neighborhood market is estimated in Table 4. These estimates are based primarily on surveys of recreation behavior conducted annually by the National Sporting Goods Association. In applying average rates and frequencies of participation against Census population, ERA has also made estimates of the amount of casual use which would occur in Golden Gate Park by neighborhood residents. Table 5 presents a similar analysis of the casual recreation of the majority of San Francisco residents who live beyond walking distance to the park. Although expected recreation participation is the same for these people, their expected use of Golden Gate Park is much lower.

In Table 6, total use of the park is estimated. To the casual recreation use by San Francisco residents, a factor is added to account for resident park use for special events and cultural attractions. Use of Golden Gate park by non-residents is estimated from surveys of Bay Area households and of visitors to San Francisco from beyond the nine-county Bay Area region. About half (47%) of all out-of-area visitors report having visited Golden Gate Park during their stay in San Francisco. These procedures combine to produce an estimate of approximately 15 million Golden Gate Park visits per year. Approximately half of these visits are made by San Francisco residents, and approximately one-quarter are by tourists from beyond the Bay Area region.

The conclusion from the foregoing analysis is not that the original estimate of 11.5 million visits is wrong, but rather that it is reasonable to assume that visitation is even greater than 11.5 million. **A reasonable estimated range of typical use in any given year is between 11 and 15 million visits to Golden Gate Park.**

Table 3

POPULATION AND AGE DISTRIBUTION OF CENSUS TRACTS
Golden Gate Park area

Tract #	Total Population	Total Households	Sex		Age Distribution											Median Age
			Male	Female	< 5	5-17	18-20	21-24	25-44	45-54	55-59	60-64	65-74	75-84	85+	
156	2,792	1,247	48.0%	52.0%	4.5%	8.4%	2.7%	10.7%	44.4%	9.2%	3.2%	4.1%	6.8%	4.5%	1.4%	33.9
157	6,304	2,296	47.6%	52.4%	2.8%	6.3%	13.9%	16.0%	35.4%	7.0%	3.1%	3.3%	6.6%	4.3%	1.3%	29.3
165	4,856	2,236	50.9%	49.1%	3.7%	7.2%	3.2%	12.2%	50.1%	7.9%	2.5%	3.0%	5.9%	3.3%	0.9%	32.2
166	4,932	2,387	55.0%	45.0%	2.9%	4.9%	3.2%	15.7%	57.3%	7.9%	2.2%	1.7%	2.3%	1.5%	0.3%	30.6
171	7,474	3,600	53.2%	46.8%	4.2%	6.3%	2.0%	8.5%	57.9%	10.1%	2.4%	2.2%	3.4%	2.3%	0.7%	33.6
301.01	4,263	1,922	47.4%	52.6%	5.1%	6.9%	2.0%	12.5%	55.4%	7.6%	2.0%	2.4%	2.9%	2.0%	1.1%	30.7
302	8,428	3,909	45.5%	54.5%	4.6%	8.6%	2.9%	8.3%	47.4%	8.9%	4.2%	4.9%	6.5%	4.4%	1.6%	33.8
326	7,939	3,099	46.3%	53.7%	5.3%	8.3%	3.5%	6.5%	37.6%	9.4%	4.5%	5.2%	8.1%	5.6%	2.3%	36.3
327	5,847	2,277	46.9%	53.1%	4.0%	12.7%	3.2%	5.3%	34.3%	10.3%	4.6%	5.5%	9.7%	7.8%	2.5%	39.1
351	7,267	2,627	47.5%	52.5%	5.0%	12.8%	4.3%	6.4%	34.0%	9.3%	4.7%	5.3%	9.9%	6.6%	1.8%	37.3
352	9,618	3,558	49.7%	50.3%	5.0%	14.2%	4.0%	7.4%	38.5%	9.8%	4.4%	4.2%	7.3%	4.1%	0.9%	34.4
451	4,794	1,946	48.9%	51.1%	4.7%	11.4%	3.8%	8.9%	40.4%	9.6%	4.7%	4.0%	7.4%	3.8%	1.5%	33.9
452	7,163	2,649	48.0%	52.0%	4.9%	11.8%	3.3%	7.3%	42.5%	8.7%	4.1%	8.6%	6.6%	4.5%	1.9%	34.5
476	5,430	2,136	45.9%	54.1%	4.3%	11.7%	3.8%	7.4%	39.1%	10.1%	4.2%	4.7%	8.6%	4.7%	1.4%	36.0
477	8,115	3,258	46.6%	53.4%	4.2%	10.6%	3.6%	7.0%	39.3%	9.2%	5.0%	5.1%	8.9%	5.3%	1.8%	36.2
478	7,471	2,947	47.0%	53.0%	4.3%	11.7%	3.3%	5.7%	50.2%	10.1%	4.6%	5.7%	9.3%	5.8%	2.4%	37.9
479	9,549	3,818	47.8%	52.2%	4.1%	12.2%	3.4%	5.6%	37.4%	10.0%	5.0%	5.3%	9.2%	5.6%	2.3%	37.9
TOTAL	112,242	45,912	54,136	58,106	4,902	11,326	4,390	9,432	48,194	10,358	4,522	5,166	8,165	5,201	1,782	
Share	100.0%	---	48.2%	51.8%	4.4%	10.1%	3.9%	8.4%	42.9%	9.2%	4.0%	4.6%	7.3%	4.6%	1.6%	

Table 4

ESTIMATED GOLDEN GATE PARK CAPTURE OF LOCAL RECREATION PARTICIPATION
Selected Casual User Activities

Neighborhood Population within Walking Distance of Park —— 112,242

Activity	Participation Rate	Avg. Days of Participation	Est. Portion in G.G. Park	Park Days per Resident	Total Park User-Days
Exercise Walking	32%	110	50%	17.6	1,975,459
Bicycle Riding	25%	76	50%	9.5	1,066,299
Running/Jogging	11%	90	60%	5.9	666,717
Softball	8%	29	40%	0.9	104,161
Tennis	8%	22	20%	0.4	39,509
Soccer	5%	36	30%	0.5	60,611
Roller Skating[1]	4%	19	90%	0.7	76,774
Archery	2%	15	20%	0.1	6,735
			ANNUAL TOTAL	35.6	3,996,264

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[1] In-line wheels.

Source: National Sporting Goods Association; 1990 U.S. Census; and Economics Research Associates.

Table 5

ESTIMATED GOLDEN GATE PARK CAPTURE OF CITYWIDE RECREATION PARTICIPATION
Selected Casual User Activities

City Population Outside Walking Distance of Park 611,717

Activity	Participation Rate	Avg. Days of Participation	Est. Portion in G.G. Park	Park Days per Resident	Total Park User-Days
Exercise Walking	32%	110	5%	1.8	1,076,622
Bicycle Riding	25%	76	10%	1.9	1,162,262
Running/Jogging	11%	90	10%	1.0	605,600
Softball	8%	29	5%	0.1	70,959
Tennis	8%	22	5%	0.1	53,831
Soccer	5%	36	5%	0.1	55,055
Roller Skating[1]	4%	19	50%	0.4	232,452
Archery	2%	15	5%	0.0	9,176
			ANNUAL TOTAL	5.3	3,265,957

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[1] In-line wheels.

Source: National Sporting Goods Association; 1990 U.S. Census; and Economics Research Associates.

Table 6

ESTIMATED GOLDEN GATE PARK USE BY SOURCE OF VISITOR

SOURCES OF USERS	NUMBER IN 1990	ANNUAL VISITS PER PERSON	ESTIMATED PARK VISITATION	PERCENT BY SOURCE
Local Neighborhood Walking Distance	112,000 \1	36.6 \3	4,099,200	27%
Remainder of San Francisco	612,000 \1	5.8 \4	3,549,600	24%
Remainder of Bay Area 8 Counties	5,300,000 \1	0.62 \5	3,311,440	22%
"Tourists" from beyond Bay Area Who visited S.F.	8,600,000 \2	0.47 \6	4,042,000	27%
TOTAL G.G. PARK USE			15,002,240	100%

\1 1990 Census.
\2 S.F. Convention & Visitors Bureau, and ERA.
\3 Table 3 estimate of 35.6 casual visits per year, plus 1.0 visits to cultural attractions.
\4 Table 4 estimate of 5.3 casual visits per year, plus 0.5 visits to cultural attractions.
\5 ERA survey findings that 71% of Bay Area Households make an average of 4.4 trips per year to S.F. for recreation, shopping or entertainment, and assuming one-fifth include a visit to a Golden Gate Park location.
\6 ERA survey of visitors to San Francisco, 1989.

SOURCE: As noted, and Economics Research Associates.

ECONOMIC VALUES

Any attempt to estimate the value of public parks will be frustrated by the many social benefits which cannot be quantified in economic terms. Many benefits which produce economic values are also exceedingly difficult to quantify in any reliable way (e.g., the economic value of parks as attractors of new businesses and industries through their enhancement of local quality of life). There are also quantifiable values with relatively small effects (e.g., the local purchase of equipment and clothing necessary to participate in recreation activities). The following will focus on three economic values which can be estimated with methods commonly used in the recreation economics literature:

- The value of the park to users;
- The value of the park as a tourist attraction; and
- The value of the park in creating real estate equity.

The Value of the Park to Users

One of the primary economic benefits of a park is the value which accrues to direct users of the park's recreational offering. What is the value of a recreation experience? It is at least what one is "willing to pay" for admission to that recreational venue. The broader argument can also be made that it is worth the trouble someone will go through to get it, which could include a large amount of travel, and the purchase of specialized equipment. However, there are other values gained through simply owning the equipment, or sightseeing along the way; and rather than complicate the analysis here, only the most conservative and most defensible measurement of value is discussed below: what one is willing to pay.

For an admission-charging cultural or recreational facility, the typical value placed on the experience by the participant must be at least as great as the price, or the facility will not be patronized. Thus, it is reasonable to say that the California Academy of Sciences or the de Young Museum creates a value of at least $5.00 to $6.00 per visit.

To the extent that patrons linger in Golden Gate Park for other activities and experiences on the same visit, the value of the park is greater than \$5.00 or \$6.00 per visitor-day.

For use of public park areas for which there is no admission charged, users would generally be willing to pay some dollar amount if they had to. Surveys of "willingness to pay" are commonly used to estimate this amount and can be reasonably accurate when gained through use of gaming techniques in the survey instruments; but such sophisticated methods are very expensive. Willingness to pay varies by the recreational activity considered, the uniqueness of the setting, the length of time spent in participation, and other factors. For example, one may be willing to pay more for playing tennis in a specialized facility than they would for a walk through a landscaped area, and may pay more for the opportunity to rollerblade in an area protected from traffic than to jog the same route. ERA has reviewed much of the literature on the subject, and is currently using a basic rule-of-thumb value of ten dollars (\$10.00) for a visitor-day in a major public recreation area.

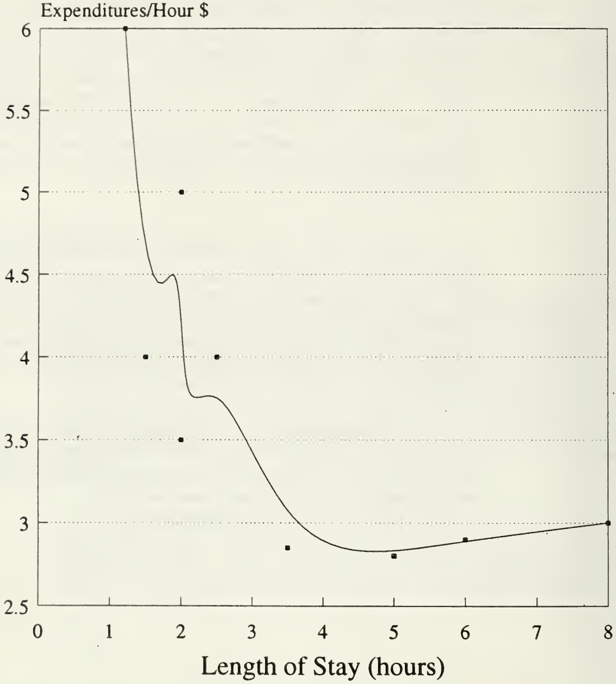
How does this public recreation value compare with commercial recreation values? Figure 1 presents a recent analysis conducted by ERA of spending at a variety of commercial attractions (ranging from movies, to water parks and theme parks). The graph plots average expenditures per person per hour against the number of hours spent in participation. It can be seen that when measured by what one is clearly willing to pay, the value of commercial recreation quickly falls to a stable range of about \$2.50 to \$3.00 per hour. This range compares very favorably with a \$10.00 value for a 3 to 4 hour stay in a public recreation facility.

Assuming the average value of a Golden Gate Park visit is in the range of \$5.00 to \$10.00 per day, the value accruing to 15 million visitors would be between \$75 and \$150 million per year. **A conservative estimate is that Golden Gate Park generates over \$100 million per year in value to those who visit it.**

Figure 1

Expenditures Over Time

Various Commercial Rec. Attractions



Source: Economics Research Associates

The Value of the Park as a Tourist Attraction

A recent study of the economic impact of the Golden Gate National Recreation Area (National Park Service, 1989) found that the typical tourist visit to Alcatraz or to Muir Woods took about four hours. The study concluded that out-of-town visitors extended their visits to San Francisco by an additional overnight in order to visit these units of GGNRA. The economic impact of these additions to visitor stay was then estimated from visitor spending, times an economic multiplier.

For Golden Gate Park, it is more reasonable to assume out-of-town visitors would extend their stays by an average of 0.5 overnights in order to visit and experience the offerings of Golden Gate Park. The average spending by overnight visitors from beyond the Bay Area was found to be $125 per day (ERA, 1989). An economic multiplier estimates the indirect and induced expansion of the economy resulting from the direct spending of visitors. Based on ERA's work with the Regional Input-Output Modeling System maintained by the U.S. Department of Commerce, the relevant multiplier for visitor affected industries in San Francisco is approximately 2.0. Thus, the economic impact of Golden Gate Park as an attraction for tourists is as follows:

4,042,000 tourists (from Table 6)

x 0.5 day extension of trip

x $125/day

x 2.0 economic multiplier

= $505 million.

It may be stated with confidence that **the economic value of Golden Gate Park as a tourist attraction exceeds $500 million per year.**

The Value of the Park in Creating Real Estate Equity

Parks, recreational amenities and open spaces have major effects on surrounding real property values, especially residential property values. ERA routinely advises clients that they can obtain premiums of $10,000 to $35,000 per lot for home sites which front on golf courses or other attractive open spaces. Real estate developers know that it is the land which is held in common (i.e., streets, other infrastructure, parks and other amenities) which creates the value of the real estate land products they intend to sell.

A number of empirical studies were reviewed in the Resource Book: Economic Impacts of Parks & Recreation produced by The Division of Planning, Grants & Environmental Quality, Western Regional Office of the National Park Service. Studies summarized included:

- A study of property values near greenbelts in Boulder, Colorado, determined that the average value of property adjacent to the greenbelt would be 32 percent higher than those 3,200 feet away.
- A study which found a significant correlation between property value and proximity to Philadelphia's Pennypack Park. The park accounted for 33 percent of the value of a plot of land when the land was located 40 feet from the park, and 9 percent, when located 2,500 feet away.
- A study in Ohio found that in neighborhoods around the Cox Arboretum in Dayton, the park accounted for over 5 percent of the average selling price, and in neighborhoods around Whetstone Park in Columbus, over 7 percent of the selling price was due to the park.

Golden Gate Park is clearly a factor in enhancing the value and the speed of sales and rentals for housing units within walking distance. There are over 48,000 housing units in these neighborhoods, with combined real estate value of over $8.6 billion (see Table 7). Golden Gate Park may be expected to be generating real estate premiums at least as large as those in the Ohio study (say 6 percent on the average), but could easily be as large as those in Philadelphia, where premiums ranged from 33 percent down to 9 percent about

Table 7

HOUSING CHARACTERISTICS AND ESTIMATED REAL ESTATE VALUE
Golden Gate Park area

Tract #	Total Population	Total Housing Units	Occupied Units			Vacant	Transaction-Based Value of Owned Homes in 1990	Rental Units		Total Residential Real Estate Value
			Owner	Renter	Total			1990 Rent	Estimated Value	
156	2,792	1,319	362	885	1,247	72	$371,000	$679	$76,388	$218,010,888
157	6,304	2,468	632	1,664	2,296	172	$371,000	$679	$76,388	$400,056,125
165	4,856	2,368	355	1,881	2,236	132	$371,000	$679	$76,388	$304,917,463
166	4,932	2,569	344	2,043	2,387	192	$460,000	$692	$77,850	$368,921,150
171	7,474	3,745	1,085	2,515	3,600	145	$460,000	$692	$77,850	$733,886,875
301.01	4,263	2,096	413	1,509	1,922	174	$310,000	$732	$82,350	$286,430,600
302	8,428	4,107	840	3,069	3,909	198	$310,000	$732	$82,350	$551,974,800
326	7,939	3,221	1,393	1,706	3,099	122	$310,000	$732	$82,350	$596,252,450
327	5,847	2,331	1,448	829	2,277	54	$310,000	$732	$82,350	$527,741,600
351	7,267	2,693	1,597	1,030	2,627	66	$310,000	$732	$82,350	$592,838,050
352	9,618	3,696	1,568	1,990	3,558	138	$310,000	$732	$82,350	$677,028,650
451	4,794	2,078	506	1,440	1,946	132	$371,000	$679	$76,388	$327,251,575
452	7,163	2,792	920	1,729	2,649	143	$371,000	$679	$76,388	$505,382,194
476	5,430	2,229	814	1,322	2,136	93	$371,000	$679	$76,388	$423,781,794
477	8,115	3,442	1,198	2,060	3,258	184	$371,000	$679	$76,388	$642,975,900
478	7,471	3,093	1,262	1,685	2,947	146	$371,000	$679	$76,388	$629,574,225
479	9,549	4,076	1,817	2,001	3,818	258	$371,000	$679	$76,388	$884,671,375
TOTAL	112,242	48,323	16,554	29,358	45,912	2,421				$8,671,695,713
Share		100.0%	34.3%	60.8%	95.0%	5.0%				

Source: 1990 U.S. Census; and Economics Research Associates.

a half-mile away (say 12 percent conservatively for the average distance). A range of 6 to 12 percent corresponds to **$500 million to $1.0 billion in property value in the neighborhoods around Golden Gate Park.** This value also creates **$5 to $10 million per year in property tax revenue for local jurisdictions in San Francisco.**

FUNDING AND STAFFING AT GOLDEN GATE PARK AND AT COMPARABLE PARKS

ERA performed research on several other major city parks around the nation, shown in Tables 8 and 9 with their city populations and physical characteristics respectively. Like Golden Gate Park, most of these parks were established in the pleasure ground tradition of the last century, and today serve as major central public parks not only for their home cities, but also for the metropolitan areas which surround them. In conducting this research into park organizational and financial characteristics, it has become clear that comparisons on a number-to-number basis are generally not applicable due to the uniqueness in the governmental and fiscal structures of each park. A budget for a specific park may or may not be separated from the budget of the entire governing department. Thus a staff count at a park may include only those personnel budgeted for that particular park, whereas additional labor not included in the count may come from staff employed by a Recreation and Park Department on a citywide basis. Nevertheless, a comparison of staff counts versus park size is made in Table 10. Where financial statistics for a park are available, they are shown in Table 11.

Golden Gate Park

Golden Gate Park receives funding through both its own quantifiable budget within the San Francisco Recreation and Park Department, totaling approximately $6,000,000 in fiscal year 1992, and through the citywide dispersal Recreation and Park Department funds which include all administrative and maintenance costs for the Park. Of the $6,000,000 Golden Gate Park budget, about $5,580,000 was for salaried positions and obtained from the general fund, $83,000 was for salaried positions and obtained from the open space preservation fund, and about $400,000 was for non-salaried positions and equipment

Table 8

POPULATION OF CITIES AND METRO AREAS CONTAINING SELECTED PARKS

Park	Size in Acres	Location	1990 Population	
			City	Metro Area[1]
Golden Gate Park	1,017	San Francisco	723,959	6,253,311
Central Park	850	New York City	7,322,564	8,546,846
Fairmount Park[2]	8,900	Philadelphia	1,585,577	4,856,881
Swope Park	1,769	Kansas City	435,146	1,566,280
Griffith Park	4,000	Los Angeles	3,485,398	8,863,164
Balboa Park	1,400	San Diego	1,110,549	2,498,016

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[1] PMSA population.

[2] Acreage represents entire Fairmount Park system.

Sources: Bureau of the Census and Economics Research Associates.

Table 9

PHYSICAL CHARACTERISTICS OF MAJOR URBAN PARKS

Park	Size (acres)	Facilities				
		Water	Athletic	Museums	Zoo/Aquarium	Other
Golden Gate Park	1,017	3 Lakes, numerous ponds, waterfalls	9-hole golf course, polo field, diamonds, stadium, handball courts, lawn bowling, tennis courts, soccer field	De Young Museum, Asian Art Museum, Ca. Academy of Sciences	Steinhart Aquarium, bison paddock	Japanese Tea Garden, Model Yacht Club, two windmills
Central Park	850	Reservoir Two large lakes Numerous ponds	2 Rinks, bowling green, 26 ball fields, handball and tennis courts	Museum of Modern Art	Zoo	Theater, boathouses, bandshell, restaurant
Fairmount Park[1]	8,900	River frontage/ rowing course, fishing stream, 3 lakes	73 diamonds, 13 football and 14 soccer fields, 105 tennis courts, 6 pools, 6 18-hole golf courses	Phila. Museum of Art, 8+ preserved early-American homes, Rodin Museum	Phila. Zoo	Japanese House, Music Center, Playhouse, Outdoor concert area
Swope Park	1,769	Lagoon, river	Tennis courts, 2 golf courses, baseball diamonds		Kansas City Zoo	Outdoor theater, Interpretive center
Balboa Park	1,400		Tennis courts, pool, ball fields, velodrome, bocce courts, flycasting pool, 27-hole golf course, basketball courts	Aerospace Museum, Nat. History Museum, Historical buildings	San Diego Zoo	Scout camps, Rec. Ctr. for the Blind,

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[1] All information is for entire Fairmount Park system.

Source: Economics Research Associates.

Table 10

COMPARISON OF PHYSICAL SIZE AND STAFFING OF MAJOR URBAN PARKS

Park	Total Size in Acres	Total Staff[1]	Total Staff/ 100 Acres
Golden Gate Park	1,017	136	13.37
Central Park	850	249	29.29
Fairmount Park[2]	8,900	296	3.33
Swope Park	1,769	NA	NA
Griffith Park	4,000	353	8.83
Balboa Park	1,400	101	7.21

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[1] Budget authorized positions; depending on fiscal considerations, all positions may not be staffed.
[2] All information is for entire Fairmount Park system.

Source: Economics Reasearch Associates.

Table 11

FISCAL CHARACTERISTICS OF MAJOR URBAN PARKS

SOURCES Park	Separate Budget?	Sources - 1991/92 Gen. Fund	Other tax	Bonds	Concessions	User fees	Parking	Fundraising	Other	Total
Golden Gate Park	Partly	$5,662,411			(incl. to right)	$398,089			NA[1]	$6,060,500
Central Park	Yes	$5,726,000						$5,810,000		$11,536,000
Fairmount Park[2]	Yes	$11,701,559			$836,500	$159,000			$955,000	$13,652,059
Swope Park	No									NA
Griffith Park	Yes				$157,614	$9,274,432	$0	NA	$203,947	$9,635,993
Balboa Park[3]	Yes	$3,199,435	$835,745						$802,969	$4,838,149

EXPENSES Park	Separate Budget?	Operational Expenses - 1991/92 Maint.	Admin.	Other	Total	Capital Outlays
Golden Gate Park	Partly	NA[1]	NA[1]	$6,060,500	$6,060,500	$76 million restoration bond passed in 1992
Central Park	Yes				$11,536,000	$3.7 from City funds $3.5 million from Conservancy $1.1 million from State funds
Fairmount Park[2]	Yes				$17,593,939	No new gov't. revenues - using leftover capital funds from previous years. Also have about $4 million in targeted trust funds.
Swope Park	No				NA	$50 million bond passed 8/90 for zoo renovation and expansion; $5M park changes from zoo admissions and earmarked tax
Griffith Park	Yes	$3,562,546	$1,076,452	$11,395,092	$16,034,090	Gen. Fund (91-92) $540,845
Balboa Park[3]	Yes				$4,838,149	Almost $150 million in capital improvements identified through year 2017; funding identified through year 2002 ($42 million)

[1] Administrative and maintenance budgets for Golden Gate Park are included in the Administrative and Structural Maintenance budgets of the Department of Parks and Recreation.

[2] All information is for entire Fairmount Park system; revenues do not include almost $6 million in indirect city revenues.

[3] Figures are for fiscal year 1993.

Source: Economics Research Associates.

purchases and derived from the Department's self-generated revenues such as concessions and user fees.

In fiscal year 1992, 136 positions were budgeted, including 2 from the open space funding. Not all these positions are filled, however, due to "forced salary savings" which cut total park staff payroll further decreased by salary step increases among incumbent staff. Unfilled positions are often later cut altogether, shrinking the size of the department. Capital planning for Golden Gate Park received a significant boost in 1992 with the passage of a $76 million bond election for funds to restore the aging infrastructure of the park.

Central Park

Central Park is unique in that it derives one half of its budget from non-profit fundraising through the Central Park Conservancy, an organization partially independent of the New York City government. Total operational funding for the park in 1991-92 was approximately $11.5 million. Capital improvements funding of $7.2 million was also split nearly in half between the City and the Conservancy, with an additional $1.1 million coming from New York State.

Fairmount Park

Fairmount Park is the name of both a specific park in Philadelphia and a system of parks including that one Park. Financial data was available only for the entire system which covers nearly 9,000 acres of parkland, over 2,000 acres of which is contained in the specific park. Most of the nearly $13.7 million in System funding comes from the City's general fund, with about $1 million coming from concessions and user fees and $950,000 from grants (mostly from the State of Pennsylvania). In addition to System funding, about $6 million in indirect costs not specifically appropriated to the budget of the Park System, such as utilities expenses, are spent at the Park through other City departments.

The Park has several trust funds targeted to specific areas of the park for their upkeep and improvement. These funds total about $4 million.

Griffith Park

Thanks to the presence of a zoo and golf courses, Griffith Park in Los Angeles is capable of generating a significant amount of revenue - over $9 million in fiscal year 1992. Recreation and Parks Department funding for Griffith Park amounted to $16 million for 353 staff positions. About two-thirds of this funding was for the zoo, the golf courses, and the observatory.

Balboa Park

Fiscal information for Balboa Park was available only for fiscal year 1993. The Park is receiving a significant amount, over $800,000, of its directly appropriated $4.8 million budget from the City's Environmental Growth Fund. The vast majority of the remainder comes from the City's General Fund. This budget covers 101 employees at the Park but does not include indirect costs such as Police, Fire, and General Services. The City has identified nearly $150 million in capital improvements through 2017, for which $42 million has been identified through 2002.

Comparisons Between Parks

Comparisons between major parks are problematic, and invariably degenerate to comparing "apples to oranges." Different features and facilities within any individual park require very different resource levels to maintain and operate (e.g., a zoo is very different from a soccer field). Different parks have different mixes of features and facilities. The difference in terrain and environments has dramatic impacts on the type of vegetation and maintenance requirements found in different cities. For example, Golden Gate Park is an entirely cultivated landscape created from sand dunes, and it requires more maintenance than a similar sized park planted with species native to the area. Staffing and budget reporting systems vary greatly between cities, with few having separate budgets for specific parks, and most combining service provision from a number of different departments. Attempts to develop reliable comparative data for use in planning for reuse of the Presidio in San Francisco have similarly frustrated the staff efforts at the Golden Gate National Recreation Area. In the absence of any reliable quantitative data for evaluating the relative success of San Francisco in adequately operating and maintaining Golden Gate Park, it appears from Tables 8 through 11 that **compared to other large urban parks in the U.S., Golden Gate Park ranks in the middle in terms of staffing and financial resources.**

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